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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

DOCKETED

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COMMISSIONERS

DOUG LITTLE – Chairman
BOB STUMP
BOB BURNS
TOM FORESE
ANDY TOBIN

IN THE MATTER OF THE APPLICATION OF
BACA FLOAT WATER COMPANY FOR AN
EXTENSION OF ITS EXISTING CERTIFICATE OF
CONVENIENCE AND NECESSITY FOR WATER
SERVICE.

DOCKET NO. WS-01678A-07-0116

DECISION NO. 75516

**ORDER EXTENDING TIME
DEADLINE CONTAINED IN
DECISION NOS. 69949, 71437, 72677
AND 74373**

Open Meeting
April 12 and 13, 2016
Phoenix, Arizona

BY THE COMMISSION:

* * * * *

Having considered the entire record herein and being fully advised in the premises, the Arizona Corporation Commission (“Commission”) finds, concludes, and orders that:

FINDINGS OF FACT

1. On October 30, 2007, the Commission issued Decision No. 69949 which granted Baca Float Water Company (“Baca Float” or “Company”) an extension of its Certificate of Convenience and Necessity (“CC&N”) to provide water service to a contemplated residential community on the Tres Alamos Ranch in the area of Tubac, Arizona.

2. Decision No. 69949 required Baca Float to file an Approval To Construct (“ATC”) from the Arizona Department of Environmental Quality (“ADEQ”) for the water system facilities needed to service the first phase of the Tres Alamos development project within two years of the effective date of the Decision.

3. In early 2007 it was anticipated that residential construction of Tres Alamos Ranch would begin in November 2008. The 2008 financial crisis and ensuing economic recession substantially

1 impacted residential developments in Arizona, including the Tubac area. As a consequence, in the
2 subsequent years, Baca Float sought and was granted three extensions of the requirement to file the
3 ATC.¹ The most recent Decision extended the deadline to file the ATC until September 30, 2015.²

4 4. On August 24, 2015, Baca Float filed another request for extension of time seeking that
5 the deadline to file the ATC be extended from September 30, 2015, to September 30, 2017.

6 5. In its August 24, 2015 filing, Baca Float states that when Decision No. 74373 was issued
7 the Tres Alamos Ranch was in escrow and it was anticipated that construction would be completed by
8 April 2015, and the ATC filed shortly thereafter. However, Baca Float states that the sale of the ranch
9 did not proceed to closing. Baca Float provided a letter from Gary T. Smith of Jakoke Real Estate
10 Services and Ranch Manager which opines that the improvements and investments in the property
11 made to date will result in the inevitable development of the property. In addition, Silverleaf
12 Acquisition Holdings, LLC owns the Tres Alamos Ranch and requests that Baca Float continue to be
13 the certified water service provider.

14 6. On March 23, 2016, the Commission's Utilities Division ("Staff") filed a Memorandum
15 stating that based on the evidence provided by the Company, Staff does not object to the request for an
16 extension of time in this matter. Staff recommends a 10-year extension, or until September 30, 2025,
17 for Baca Float to file the required ATC.

18 7. The request for an extension of time to file the ATC for the water system facilities is
19 reasonable under the circumstances, including in particular that the property owner of the extension
20 area continues to desire that Baca Float serve the extension area. Current ratepayers should not be
21 adversely affected by an additional extension of time. Consequently, we adopt Staff's recommendation
22 and find good cause to extend the deadline originally established in Decision No. 69949 until
23 September 30, 2025.

24 CONCLUSIONS OF LAW

25 1. Baca Float is a public service corporation within the meaning of Article XV of the
26 Arizona Constitution and A.R.S. §§ 40-281 and 40-282.

27 _____
28 ¹ See Decision Nos. 71437, 72677, and 74373.

² Decision No. 74373 (February 26, 2014).

2. The Commission has jurisdiction over Baca Float and the subject matter of the request.
3. The requested extension of time is reasonable and should be approved.

ORDER

IT IS THEREFORE ORDERED that the deadline for Baca Float Water Company to file an Approval to Construct for the facilities needed to serve the first phase of development of the extension area as set forth in Decision No. 69949, shall be extended until September 30, 2025.

IT IS FURTHER ORDERED that all other provisions of Decision No. 69949 shall remain in effect.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

EXCUSED
COMM. STUMP

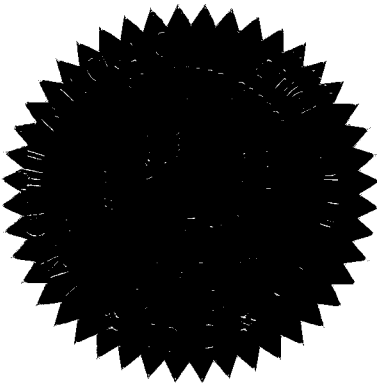
CHAIRMAN

COMMISSIONER

COMMISSIONER

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COMMISSIONER



IN WITNESS WHEREOF, I, JODI JERICH, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this 22nd day of April 2016.

JODI JERICH
EXECUTIVE DIRECTOR

DISSENT _____

DISSENT _____

JR:rt

1 SERVICE LIST FOR:

BACA FLOAT WATER CO. INC.

2 DOCKET NO.:

WS-01678A-07-0116

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